(c) by when the formality of appointment is likely to be completed by Government?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANT GANGARAM GEETE): (a) to (c) Central Bank of India the sponsor bank of Madhubani Kshetriya Gramin Bank (MKGB) has reported that an application was received in 1998 from the widow of a deceased Officer of MKGB for appointment of her son on compassionate grounds. Due to the pending disciplinary proceedings against the deceased Officer the case for appointment of his son could not be considered. The Bank has further reported that it is putting up the matter to its Board shortly for appropriate decision.

Relief to common man

1422. DR. ABRAR AHMED: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether Government are actively considering some proposals to give some relief to common man to boost consumer spending, as reported in the Hindustan Times of July 11, 2002; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI GINGEE N. RAMACHANDRAN): (a) and (b) Details are being collected.

Increase in States' share from divisible pool

1423. SHRI K.M. KHAN: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether Government propose to increase the total quantum of central resources (tax and non-tax) transferable to States from the divisible pool from the present 28 per cent to 50 per cent as demanded by some States;

(b) if so, the details thereof;

(c) if not, the reasons therefor; and

(d) what measures are proposed to be taken to increase the avenues of revenue sources to States?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANT GANGARAM GEETE): (a) No, Sir.

(b) Does not arise.

(c) The sharing of net proceeds of taxes & duties between the Union and States is done on the basis of recommendations of the Finance Commission set up under Article 280 of the Constitution.

(d) States are expected to switch over to Value Added Taxes from 1-4-2003. This will result in higher realizations than the current regime of Sales Tax.

Moreover, States have also been encouraged to draw up Medium Term Fiscal Reforms Programmes (MTFRP). An important ingredient of the MTFRPs is to raise user charges on services such as irrigation and electricity.

Insurance cover for Amarnath pilgrims

1424. SHRI KAILASH JOSHI: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether Government have allowed the Jammu and Kashmir Bank to take up the insurance cover for Amarnath pilgrims, during the "Chaddi-Mubarak";

(b) if so, the details thereof; and

(c) the allocations made therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANT GANGARAM GEETE: (a) and (b) Government of Jammu & Kashmir has introduced an insurance scheme which is being operated through the Jammu and Kashmir Bank Ltd. Under this scheme, a Yatri can opt to insure himself by paying a premium of Rs. 20/- per Rs. 1 lac of insured amount at the time of registration for the yatra.

(c) No allocation has been made for this purpose by the Central governemnt or the State Government.